IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH,
AT HYDERABAD

HONOURABLE MR. JUSTICE J. CHELAMESWAR
AND
HONOURABLE MR. JUSTICE D. APPA RAO

WRIT PETITION No. 16201 OF 2006

Date:14.08.2006

BETWEEN:

M/s. GMMCO Limited,
Rep. by its, Sr. Manager – Accounts,
Mr. B.V.S. Narasinga Rao.

…. PETITIONER

And

1. The Commercial Tax Officer, M.G. Road Circle, Secunderabad, and others.

…. RESPONDENTS

ORAL ORDER: (per JC,J.)

The petitioner is a limited company and engaged in the business of selling machinery (earthmoving) parts, which according to the petitioner taxable under Item 83 of First Schedule to the Andhra Pradesh General Sales Tax Act (for short 'the Act'). For the assessment year 2001-2002, the first respondent computed the assessment of the petitioner's liability under the abovementioned Act vide order, dated 13.9.2004. However, the second respondent issued a show cause notice under sub-section (2) of Section 20 of the Act proposing to revise the order of the first respondent referred to earlier, while there is no mention of the sales of particular Item of backhoe loaders in the assessment order, the revisionary authority stated in the show cause notice that the petitioner also sold such backhoe loaders for the abovementioned assessment year. Apart from that on various other grounds, the assessment order came to be revised finally by the second respondent on 31.03.2006 and the petitioner was found liable to pay higher amount of tax than what was decided by the assessing authority. Aggrieved by the same, the petitioner carried the matter in appeal before the Sales Tax Appellate Tribunal. During the pendency of the

appeal, the petitioner sought stay of recovery of the amount of tax determined by the second respondent. The said application of the petitioner was rejected by the third respondent by his order dated 19.07.2006. Hence the present writ petition.

Heard, the learned Government Pleader.

Having regard to the facts and circumstances of the case, we are of the opinion that the matter can be disposed of directing the respondents not to take any coercive steps during the pendency of the appeal before the Sales Tax Appellate Tribunal, on condition of the petitioner depositing an amount of Rs.25,00,000/- (Rupees twenty five lakhs only) within a period of six weeks from today. While computing the said amount, the amount already paid by the petitioner towards the tax liability of the assessment year 2001.2002 shall be given credit. In view of this order we deem it appropriate to direct the Sales Tax Appellate Tribunal to dispose of the appeal filed by the petitioner pertaining to the assessment year 2001-2002 expeditiously, preferably within a period of twelve weeks.

With the above observations and directions, the Writ Petition is disposed of. No costs.

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(J. CHELAMESWAR, J.)

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(D. APPA RAO, J.)

14th August, 2006
Js.